

## Notice of Revisions to Dividend Forecasts (Divident Increase)

**OSAKA, Japan, April 24, 2020** - Shionogi & Co., Ltd. (Head Office: Osaka, Japan; President and CEO: Isao Teshirogi, Ph.D.; hereafter "Shionogi") announced today that it has made the following revisions to its dividend forecasts for the fiscal year ending March 31, 2020 (2019 fiscal year; April 1, 2019 – March 31, 2020). The dividend forecasts were originally announced on May 9, 2019.

### 1. Revisions to Dividend Forecasts

Revisions to dividend forecasts for the fiscal year ending March 31, 2020

	Dividends per share (yen)		
	End of second quarter	Year end	Annual
Previous forecast (May 9, 2019)		50.00	100.00
Revised forecast		53.00	103.00
Current fiscal year (ending March 31, 2020)	50.00		
Previous fiscal year (ended March 31, 2019)	44.00	50.00	94.00

### 2. Reasons for Revisions to Dividend Forecasts

Shionogi maintains its intention to return profits to its shareholders and to maximize its enterprise value in the mid-to-long term by continuously strengthening its business operations and fundamentals, while investing appropriately in R&D and strategic alliances for future growth. Consistent with that intention, the Company plans to stably increase its consolidated dividends.

Shionogi is a shareholder of ViiV Healthcare Ltd. (hereafter "ViiV"), the UK-based global specialist HIV company. As the sales of the relevant anti-HIV drugs have grown, the royalty payment from ViiV to Shionogi has consistently increased. A stable amount of dividend was also received from ViiV in the 2019 fiscal year. Although the sales of influenza related-products was affected by the limited flu season, the growth of other new products contributed to top-line sales. In addition, Shionogi made steady progress in expanding its global business, including entering the vaccine business by making UMN Pharma a wholly-owned subsidiary<sup>1</sup> and signing the basic agreement with Ping An Insurance for a capital and business alliance with the intention of establishing a long-term strategic partnership<sup>2</sup>.

As in the previous year, in the 2019 fiscal year Shionogi also acquired its own shares (7,792,500 shares, the total value of shares acquired was approximately 50 billion yen) and resolved to

# Press Release



cancel 5,200,000 shares at the meeting of the Board of Directors held on March 30, 2020 (cancellation date: April 6, 2020, 1.6% of total outstanding shares before cancellation) in order to increase shareholder return and capital efficiency, following its flexible capital policy, aligned with strong business progress.

Based on our current earnings forecasts, financial condition and the continuing positive trends described above, Shionogi plans to increase its year-end cash dividend by three yen per share, revising the previously announced dividend of 50 yen to 53 yen per share. Together with the interim cash dividend, Shionogi will therefore pay annual cash dividends of 103 yen per share, an increase of 9 yen per share from the prior fiscal year.

## Forward-Looking Statements

*This announcement contains forward-looking statements. These statements are based on expectations in light of the information currently available, assumptions that are subject to risks and uncertainties which could cause actual results to differ materially from these statements. Risks and uncertainties include general domestic and international economic conditions such as general industry and market conditions, and changes of interest rate and currency exchange rate. These risks and uncertainties particularly apply with respect to product-related forward-looking statements. Product risks and uncertainties include, but are not limited to, completion and discontinuation of clinical trials; obtaining regulatory approvals; claims and concerns about product safety and efficacy; technological advances; adverse outcome of important litigation; domestic and foreign healthcare reforms and changes of laws and regulations. Also for existing products, there are manufacturing and marketing risks, which include, but are not limited to, inability to build production capacity to meet demand, unavailability of raw materials and entry of competitive products. The company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.*

## For further information, contact:

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## References

1. [Press release on October 30, 2019](#)  
Shionogi Announces Commencement of Tender Offer for Certificates of Shares, Etc. in UMN Pharma Inc. (Securities Code: 8840)
2. [Press release on March 30, 2020](#)  
Notice Regarding the Signing of the Basic Agreement with Ping An Insurance for a Capital and Business Alliance including the Disposal of Treasury Shares by Way of Third-Party Allotment